



KRAUS-ANDERSON®
CONSTRUCTION COMPANY

Breaking new ground since 1897

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June 2, 2010

Mr. Kevin Strong
 Johnson Controls, Inc.
 215 North First Avenue East, Suite 100
 Duluth, MN 55802

RE: **Lincoln Park Middle School BP #1 & #2**
Contract Award Recommendation

Dear Mr. Strong:

This letter is concerning our recommendations for contract awards for the above referenced project that was bid on April 15th, 2010 for BP #1 and May 12th, 2010 for BP #2.

Kraus-Anderson has undergone several days of bidder verification and we submit the following lowest responsible bidders and their total bid amount:

Work Scope	Contractor, City, State	Bid Amount
01 Site Earthwork, Excavation & Site Utilities	Veit & Company, Inc. Duluth, MN	Base Bid: \$5,369,500.00
		Alternate #01: \$75,000.00
		Alternate #02: \$40,000.00
		Alternate #03: \$(170,000.00)
		Total Contract: \$5,314,500.00
02 Site Concrete	Hovland, Inc. Hermantown, MN	Base Bid: \$245,000.00
		Alternate #02: \$0.00
		Alternate #03: \$0.00
		Total Contract: \$245,000.00
03 Concrete	Kelleher Construction, Inc. Burnsville, MN	Base Bid: \$2,298,400.00
		Alternate #02: \$0.00
		Alternate #03: \$0.00
		Alternate #04: \$0.00
		Total Contract: \$2,298,400.00
04 Precast Concrete	Molin Concrete Products Company Lino Lakes, MN	Base Bid: \$2,084,728.00
		Alternate #02: \$0.00
		Alternate #03: \$0.00
		Alternate #04: \$0.00
		Total Contract: \$2,084,728.00
05 Masonry	Rice Lake Construction Group Deerwood, MN	Base Bid: \$3,788,650.00
		Alternate #02: \$0.00
		Alternate #03: \$0.00
		Alternate #04: \$0.00
		Total Contract: \$3,788,650.00
06 Structural Steel - Supply	LeJeune Steel Company Minneapolis, MN	Base Bid: \$1,261,500.00
		Alternate #02: \$0.00
		Alternate #03: \$0.00
		Alternate #04: \$0.00
		Total Contract: \$1,261,500.00

07	Steel Erection	Northern Industrial Erectors, Inc. Grand Rapids, MN	Base Bid:	\$308,000.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$308,000.000
08	Carpentry	J. Eiden Construction, Inc. Inver Grove Heights, MN	Base Bid:	\$923,400.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$17,500.00
			Total Contract:	\$940,900.00
09	Structural Glue- Laminated Construction	Timber Systems, LLC Lapeer, MI	Base Bid:	\$521,532.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$521,532.00
10	Casework	Haldeman-Homme, Inc. Minneapolis, MN	Base Bid:	\$633,214.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$103,140.00
			Total Contract:	\$736,354.00
11/ 12	Metal Panels & Roofing	Berwald Roofing Company, Inc. North St. Paul, MN	Combined Base Bid:	\$2,226,049.00
			Alternate #02:	\$0.00
			Alternate #03:	\$20,900.00
			Alternate #04:	\$0.00
			Total Contract:	\$2,246,949.00
13	Joint Sealers	Sunrise Specialty Contracting, Inc. Big Lake, MN	Base Bid:	\$51,800.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$51,800.00
14	HM Frames, Door & Finish Hardware – Supply	Sell Hardware, Inc. Duluth, MN	Base Bid:	\$303,150.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$303,150.00
15	Sectional Doors	Lipe Brothers Construction, Inc. Duluth, MN	Base Bid:	\$49,500.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$49,500.00
18	Tile	Grazzini Brothers & Company Eagan, MN	Base Bid:	\$251,900.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$251,900.00
19	Acoustical Ceilings and Treatments	Architectural Sales of MN, Inc. Minneapolis, MN	Base Bid:	\$532,000.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$532,000.00
20	Wood Flooring	Haldeman-Homme, Inc. DBA Anderson Ladd Minneapolis, MN	Base Bid:	\$153,489.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$153,489.00

21	Carpet & Resilient Flooring	MCI, Inc. Waite Park, MN	Base Bid: \$350,134.00 Alternate #02: \$(50,983.00) Alternate #03: \$0.00 Alternate #04: \$17,200.00 Total Contract: \$316,351.00
22	Terrazzo Flooring	Advance Terrazzo & Tile Co. Coon Rapids, MN	Base Bid: \$5,000.00 Alternate #02: \$235,000.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$240,000.00
23	Paint, Coatings and Wall Coverings	Fransen Decorating, Inc. Milaca, MN	Base Bid: \$254,652.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$254,652.00
24	Visual Display Boards - Supply	W.E. Neal Slate Company Watertown, MN	Base Bid: \$37,690.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$37,690.00
26	Misc. Specialties - Supply	Kendell Doors & Hardware, Inc. Mankato, MN	Base Bid: \$107,150.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$107,150.00
29	Theatrical Stage Equipment	Gopher Stage Lighting Minneapolis, MN	Base Bid: \$0.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$276,927.00 Total Contract: \$276,927.00
30	Athletic Equipment	Haldeman-Homme, Inc. Minneapolis, MN	Base Bid: \$63,370.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$63,370.00
31	Window Treatments	Custom Drapery & Blinds by Michael Esch Burnsville, MN	Base Bid: \$60,389.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$60,389.00
32	Audience Seating	Haldeman-Homme, Inc. Minneapolis, MN	Base Bid: \$182,518.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$83,435.00 Total Contract: \$265,953.00
33	Pool Construction	Aqua Logic, Inc. Waconia, MN	Base Bid: \$758,000.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$758,000.00
35	Fire Protection	Brothers Fire Protection Duluth, MN	Base Bid: \$324,000.00 Alternate #02: \$0.00 Alternate #03: \$0.00 Alternate #04: \$0.00 Total Contract: \$324,000.00

36	Mechanical	Gorham Oien Mechanical, Inc. Mora, MN	Base Bid:	\$5,490,000.00
			Alternate #02:	\$0.00
			Alternate #03:	\$4,500.00
			Alternate #04:	\$0.00
			Total Contract:	\$5,494,500.00
37	Electrical	APi Electric Company Duluth, MN	Base Bid:	\$3,284,650.00
			Alternate #02:	\$0.00
			Alternate #03:	\$0.00
			Alternate #04:	\$0.00
			Total Contract:	\$3,284,650.00

Total Base Bid Recommended:	\$ 31,919,365.00
Total Alternate #01 BP #1 Recommended:	\$ 75,000.00
Total Alternate #02 BP #1 Recommended:	\$ 40,000.00
Total Alternate #02 BP #2 Recommended:	\$ 184,017.00
Total Alternate #03 BP #1 Recommended:	\$ (170,000.00)
Total Alternate #03 BP #2 Recommended:	\$ 25,400.00
Total Alternate #04 Recommended:	\$ 498,202.00
Total Contract Amount Recommended:	\$ 32,571,984.00

Kraus-Anderson® Construction Company does not recommend the award at this time due to bid clarifications to the following Work Scopes; #16 – Aluminum Entrances and Glazing, #17 – Drywall and Framing, #27 – Metal Lockers and #34 – Elevator. These work scopes can be awarded at a later date once the clarifications are determined or potentially re-bid.

Kraus-Anderson® Construction Company does not recommend the following Work Scopes; #38 – Site Fencing or #39 – Landscaping at this time. These work scopes will be re-bid at a later date when the work on site is required to be performed.

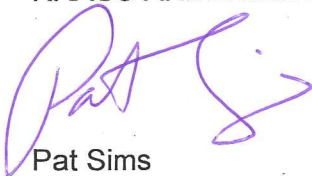
Independent School District #709/Kraus-Anderson Construction will provide contracts for Work Scope 25 – Food Service and Work Scope 28 – Science Casework.

We have enclosed Bid Tabulation sheets that reflect the bids received.

If you have any questions regarding this information, please do not hesitate to contact me at 763-786-7711.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Pat Sims
Project Manager

PS/kmb

Enclosures

cc: Kevin Holm, LHB

**WESTERN MIDDLE SCHOOL BP #1
DULUTH, MN**

OWNER: ISD #709

PROGRAM MGR.: JCI

CONSTRUCTION MGR.: KRAUS-ANDERSON,

ARCHITECT: LHB

**BID TABULATIONS
APRIL 15TH @ 2:00PM**

WORK SCOPE 01: SITE EARTHWORK, EXCAVATION & SITE UTILITIES

	BIDDER	BIDDER	BIDDER	BIDDER	BIDDER	BIDDER
	Veit & Company, Inc.	Northland Constructors of Duluth, LLC	Hoover Construction Company	Rachel Contracting, LLC	Ulland Brothers, Inc.	
BID SECURITY	Bid Bond	Bid Bond	Bid Bond	Bid Bond	Bid Bond	
ADDENDA REC'D.	1-4	1-4	1-4	1-4	1-4	
BASE BID	\$5,369,500.00	\$5,575,000.00	\$6,502,000.00	\$6,624,124.00	\$7,495,700.00	
UP #1 - Removal of Unsuitable Soils	\$12.00	\$15.00	\$9.00	\$12.50	\$10.00	
UP #2 - Removal of Mass Rock 1 Excavating	\$29.00	\$45.00	\$27.00	\$29.50	Add: \$42.00 Deduct: \$38.00	
UP #3 - Provide Engineered Fill	\$28.00	\$25.00	\$20.00	\$18.50	\$20.00	
UP #4 - Removal of Trench Rock/Excavation	\$100.00	\$100.00	\$60.00	\$65.50	Add: \$95.00 Deduct: \$85.00	
Alt. #1 - Late Start	\$75,000.00	\$300,000.00	\$550,000.00	\$205,000.00	\$84,600.00	
Alt. #2 - Synthetic Turf Alternative	\$40,000.00	(\$25,000.00)	(\$27,000.00)	\$13,000.00	(\$8,900.00)	
Alt. #3 - Crushing or Processing of Rock	(\$170,000.00)	(\$12,000.00)	(\$150,000.00)	(\$634,393.00)	\$0.00	

**WESTERN MIDDLE SCHOOL BP #1
DULUTH, MN**

OWNER: ISD #709

PROGRAM MGR.: JCI

CONSTRUCTION MGR.: KRAUS-ANDERSON®

ARCHITECT: LHB

**BID TABULATIONS
APRIL 15TH @ 2:00PM**

WORK SCOPE 02: SITE CONCRETE

	BIDDER	BIDDER	BIDDER	BIDDER	BIDDER	BIDDER
	Hovland, Inc.	Halvorson Concrete, Inc.	North Country Concrete, Inc.	Northland Concrete & Masonry		
BID SECURITY	Bid Bond	Bid Bond	Bid Bond	Bid Bond		
ADDENDA REC'D.	1-4	1-4	1-4	1-4		
BASE BID	\$245,000.00	\$247,700.00	\$325,000.00	\$332,900.00		
UP #1 - Removal of Unsuitable Soils						
Mass Rock 1 Excavating						
UP #3 - Provide Engineered Fill						
UP #4 - Removal of Trench						
Alt. #1 - Late Start						
Alt. #2 - Synthetic Turf Alternative						
Alt. #3 - Crushing or Processing of Rock						